

BEHAVIORAL HEALTH

BUDGET UNIT: ALCOHOL AND DRUG ABUSE SERVICES (AAA ADS)

I. GENERAL PROGRAM STATEMENT

The Department of Behavioral Health's Alcohol and Drug Abuse Services consist of comprehensive substance abuse prevention and treatment programs for county residents. Services are provided by 6 county operated clinics and 30 to 40 contractors depending on the number of responses to RFPs. The major components include outpatient, residential, prevention, methadone, and case management services. Annually, approximately 13,000 clients are served and over 73,000 hours of prevention services are performed.

Services are primarily provided to clients who are indigent or receiving Medi-Cal. A small number of cases are private pays. ADS programs are principally funded by federal revenue (65%), state revenue (13%) and Medi-Cal (9%). To remain eligible for the state and federal funds, the county is required to provide a 10% match of state revenue. The department's local cost of \$149,458 funds the required match. The department also receives reimbursements (\$6.2 million) from other county departments. The two primary reimbursements are for services provided to the Human Services System (HSS) CalWorks program (\$1.4 million) and the Proposition 36 – Substance Abuse and Crime Prevention Act program (\$4.0 million).

II. BUDGET & WORKLOAD HISTORY

	Actual 2001-02	Budget 2002-03	Actual 2002-03	Budget 2003-04
Total Appropriation	17,624,241	24,784,682	20,595,302	20,063,339
Total Sources	17,414,932	24,577,582	20,433,134	19,913,881
Local Cost	209,309	207,100	162,168	149,458
Budgeted Staffing		100.9		91.5
<u>Workload Indicators</u>				
Drug Abuse Prevention Hours	88,768	80,000	76,699	73,000
Residential Treatment Clients	2,496	2,800	2,774	2,300
Outpatient Treatment Clients	7,886	8,800	9,054	9,500
Methadone Treatment Clients	854	1,200	947	1,259

The variances between the 2001-02 actual and budget for 2002-03 were due in part to the difficulty in filling budgeted positions and high staff turnover. In addition, the treatment costs related to the Proposition 36 program did not materialize as initially projected.

The 2002-03 actual expenditures reflect a reduction in salary and benefits of \$960,000 as the department held positions vacant due to the uncertainty of the state budget. In addition, services and supplies decreased by \$1.3 million as a result of the department postponing the purchase of software and a decrease in contract costs. Overall, revenues decreased by approximately \$4.0 million due to a combination of reduced CalWorks funding and reclassifying revenue to reimbursements thus reducing both revenue and total appropriations. Local cost was also reduced to reflect the minimum required 10% match of actual State revenue.

The prevention hours were below budget due to county clinics devoting more time to outpatient services. Residential services declined and outpatient services increased due to an effort to place clients in a less costly outpatient service mode.

III. HIGHLIGHTS OF BOARD APPROVED CHANGES TO BUDGET (see attachments for detailed changes)

STAFFING CHANGES

Salaries and benefit program changes reflect a decrease of \$397,701 from the Board approved base budget. The Board approved base budget initially reflected increased salary and benefit costs due to employee MOUs. Since then, the department defunded 9.4 vacant positions; that budgetary savings will now offset the majority of increased MOU costs.

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PROGRAM CHANGES

The reduction to services and supplies is due primarily to contract reductions of 6% (\$1,058,262) which reflects the net reduction of available funding. Program funding decreased by approximately \$1.6 million reflecting a reduction in CalWorks reimbursements due to HSS funding limitations. In addition, \$500,000 in reimbursements for aftercare services was eliminated due to a reduction in the Behavioral Health realignment sales tax and vehicle license fee revenue. These reductions were partially offset by an increase in funding from the State Department of Alcohol and Drug and special revenue funds.

GROUP: Human Services System			FUNCTION: Health & Sanitation		
DEPARTMENT: Behavioral Health - Substance Abuse			ACTIVITY: Hospital Care		
FUND: General AAA ADS					
	2002-03 Actuals	2002-03 Approved Budget	2003-04 Board Approved Base Budget	2003-04 Board Approved Changes to Base Budget	2003-04 Final Budget
<u>Appropriation</u>					
Salaries and Benefits	4,195,721	5,155,322	5,578,461	(397,701)	5,180,760
Services and Supplies	19,157,205	21,373,845	21,308,280	(1,073,678)	20,234,602
Equipment	(11,798)	-	-	-	-
Transfers	862,676	814,000	814,000	36,039	850,039
Total Exp Authority	24,203,804	27,343,167	27,700,741	(1,435,340)	26,265,401
Reimbursements	(3,608,502)	(2,558,485)	(2,558,485)	(3,643,577)	(6,202,062)
Total Appropriation	20,595,302	24,784,682	25,142,256	(5,078,917)	20,063,339
<u>Revenue</u>					
Current Services	218,452	4,041,502	4,041,502	(3,825,520)	215,982
State, Fed or Gov't Aid	16,027,926	16,437,876	16,853,092	439,807	17,292,899
Other Revenue	151,333	125,000	125,000	-	125,000
Total Revenue	16,397,711	20,604,378	21,019,594	(3,385,713)	17,633,881
Operating Transfer In	4,035,423	3,973,204	3,973,204	(1,693,204)	2,280,000
Total Financing Sources	20,433,134	24,577,582	24,992,798	(5,078,917)	19,913,881
Local Cost	162,168	207,100	149,458	-	149,458
Budgeted Staffing		100.9	100.9	(9.4)	91.5

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Total Changes Included in Board Approved Base Budget

BASE YEAR

Salaries and Benefits	<u>423,139</u>	MOU and Retirement Increases.
Services and Supplies	(8,284)	4% Spend Down Plan.
	(7,923)	Risk Management and EHAP reductions.
	<u>(49,358)</u>	Approved local cost reduction.
	<u>(65,565)</u>	

Revenue

State, Fed or Gov't Aid	<u>415,216</u>	Increase in state and federal funding from the State Department of Alcohol and Drug.
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Total Appropriation Change	357,574
Total Financing Sources Change	415,216
Total Local Cost Change	(57,642)
Total 2002-03 Appropriation	24,784,682
Total 2002-03 Financing Sources	24,577,582
Total 2002-03 Local Cost	207,100
Total Base Budget Appropriation	25,142,256
Total Base Budget Financing Sources	24,992,798
Total Base Budget Local Cost	149,458

Board Approved Changes to Base Budget

Salaries and Benefits	<u>(397,701)</u>	Deleted 9.4 vacant positions due to funding reductions.
Services and Supplies	(1,058,262)	Reduction of contracted services due to net loss of available funding.
	(15,416)	Miscellaneous service and supplies adjustments due to funding reductions.
	<u>(1,073,678)</u>	
Transfers	17,493	EHAP cost previously budgeted in services and supplies.
	18,546	Increase in drug court administration costs.
	<u>36,039</u>	
Reimbursements	(1,417,427)	Reclassification from revenue to reimbursement for CalWorks services .
	(670,000)	Reclassification from revenue to reimbursement for DCS/CPS services .
	(3,973,204)	Reclassification from operating transfer to reimbursement for Substance Abuse & Crime Prevention Act (SACPA) services .
	1,924,554	Reclassification from reimbursement to operating transfers for transfer from special revenue funds.
	500,000	Loss of reimbursement from DBH for aftercare services.
	(7,500)	Increase in reimbursement from Probation Dept for the Repeat Offender Program.
	<u>(3,643,577)</u>	
Total Appropriation	<u>(5,078,917)</u>	
Revenue		
Current Services	(3,760,520)	Reclassification of CalWorks/DCS to transfers In. (CalWorks \$3,090,520, and DCS \$670,000).
	(65,000)	Payments under the CARRS program no longer available to ADS.
	<u>(3,825,520)</u>	
State, Fed or Gov't Aid	<u>439,807</u>	This is based on the preliminary allocation from the State Department of Alcohol & Drug.
Total Revenue	<u>(3,385,713)</u>	
Operating Transfers In	(1,693,204)	Net of reclassing special revenue funds from revenue to op transfers \$2,280,000 and SACPA to reimbursements (\$3,973,204).
Total Financing Sources	<u>(5,078,917)</u>	
Local Cost	<u>-</u>	